

MARIA CANTWELL
WASHINGTON

717 HART SENATE OFFICE BUILDING
WASHINGTON, DC 20510-4705
(202) 224-3441
FAX: (202) 228-0514

United States Senate

WASHINGTON, DC 20510-4705

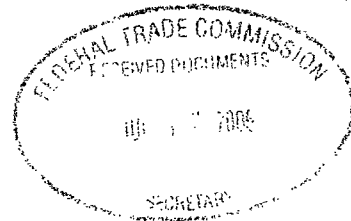
July 6, 2006

COMMITTEES:
COMMERCE, SCIENCE, AND
TRANSPORTATION
ENERGY AND NATURAL
RESOURCES
INDIAN AFFAIRS
SMALL BUSINESS

522418-70407

Mr. David Thomas
Director
Federal Trade Commission
Office of Congressional Relations
600 Pennsylvania Avenue Southeast, Rm 404
Washington, D.C. 20580

RE: Mr. Philip Crawford
[REDACTED]
[REDACTED]



Dear Mr. Thomas,

My constituent, Mr. Philip Crawford, has contacted my office for assistance with an issue within your jurisdiction. The following document(s) provide an explanation of my constituent's concern or request. I would appreciate your prompt attention to this matter, and I look forward to your response.

Please direct your response to Jay Pearson in my Seattle District Office at Jackson Federal Building, 915 2nd Avenue, Suite 3206 Seattle, Washington, 98174. Jay Pearson can be reached via: phone: 206-220-6400, fax: 206-220-6404, or email: jay_pearson@cantwell.senate.gov.

If I can provide any additional information, please do not hesitate to contact my office. Thank you for your assistance in this matter.

Sincerely,

[REDACTED]
Maria Cantwell
United States Senator

MC: jp

PLEASE REPLY TO:

717 HART SENATE OFFICE BUILDING
SUITE 908
WASHINGTON, WA 20510
(202) 224-3441
FAX: (202) 228-0514

825 JADWIN AVENUE
SUITE 200/204A
RICHLAND, WA 99352
(509) 940-8106
FAX: (509) 940-9377

JACKSON FEDERAL BUILDING
915 2ND AVENUE, SUITE 3206
SEATTLE, WA 98174-1000
(206) 220-6400
TOLL FREE: 1-888-640-7028
FAX: (206) 220-6404

U.S. FEDERAL COURTHOUSE
WEST 920 RIVERSIDE, SUITE 607
SPOKANE, WA 99201
(509) 353-2507
FAX: (509) 353-2547

560 FARMERS AVENUE
SUITE 415
TACOMA, WA 98402
(206) 570-1131
FAX: (206) 570-5879

MILWAUKEE HOUSE
1310 QUEEN ST. NW
FARMINGTON
MILWAUKEE, WI 53201
(414) 224-7500
FAX: (414) 224-7501

From: "webservd@www.senate.gov" <webservd@www.senate.gov>
Date: 7/6/2006 2:42:13 PM
To: webmail@cantwell-ig.senate.gov
Subject: www_email

Sender's IP address = [REDACTED]

<APP>SCCMAIL

<PREFIX>MR</PREFIX>

<FIRST>Philip</FIRST>

<LAST>Crawford</LAST>

<ADDR1>[REDACTED]</ADDR1>

<ADDR2></ADDR2>

<CITY>[REDACTED]</CITY>

<STATE>[REDACTED]</STATE>

<ZIP>[REDACTED]</ZIP>

<HPHONE></HPHONE>

<WPHONE></WPHONE>

<EMAIL>[REDACTED]</EMAIL>

<ISSUE>CASE</ISSUE>

<MSG>I own a small home based business here in Port Townsend; we market through independent distributors who are also mostly home based businesses.

The Federal Trade Commission proposed a new Business Opportunity Rule R511993 on April 17 with a planned adoption of July 17, now postponed to August 17. This proposed rule has several harsh terms that are almost impossible for us to meet. For example, it requires that we provide to any prospective new distributor the names, addresses, telephone numbers, and email addresses of our ten geographically closest representatives, and if we are unable to do this, we must provide our entire list of representatives nationally.

Our software doesn't have the geocoding necessary to provide a selected list, so we would be compelled to turn over our entire distributor list to anyone who asks.

Most of our distributors are women who work from their homes. This is a huge problem if we have to turn their personal information over to anyone who fills out an application, particularly as the applicant might be a skill for a competitor, or even worse some crook who is building a list to do spamming or identify theft.

The rule also requires a very complex process before we enroll a distributor that seems to have been copied from SEC regulations relating to offering unregistered securities. The FTC regulations are already quite stringent, we cannot charge more than \$500 for an initial distributor packet, and we are already required to make detailed disclosures. My company only charges \$100 for a distributor packet. However the new regulation would require, among other things, that we wait a week after discussing distributor applications before accepting their money.

This is ridiculous! You can buy a \$5,000 vacation without waiting a week; you can buy a \$50,000 car without waiting a week, you can buy a \$500,000 house without waiting a week to sign a contract.

This regulation will have exactly the opposite effect from the intended results. It will shut down honest businesses like mine, while giving a perfect road map to the crooks and scammers, who can request distributor lists from every company

like ours in the industry, quickly solict investments from thousands of small home based workers, and be off with the money before the FTC can do anything.

Please help!</MSG>

<>Submit Message</>

</APP>